



47155200320100100

HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2003

OF THE CONDITION AND AFFAIRS OF THE

Delta Dental Plan of Arkansas, Inc.

NAIC Group Code 0000 (Current Period) 0000 (Prior Period) NAIC Company Code 47155 Employer's ID Number 71-0561140

Organized under the Laws of , State of Domicile or Port of Entry

Country of Domicile

Licensed as business type: Life, Accident & Health [] Property/Casualty [] Hospital, Medical & Dental Service or Indemnity [] Dental Service Corporation [X] Vision Service Corporation [] Health Maintenance Organization [] Other [] Is HMO Federally Qualified? YES [] NO []

Date Incorporated or Organized: March 15, 1982 Date Commenced Business: August 1, 1982

Statutory Home Office: 1513 Country Club Sherwood, AR 72120

Main Administrative Office: 1513 Country Club Sherwood, AR 72120 501-835-3400

Mail Address: 1513 Country Club Sherwood, AR 72120

Primary Location of Books and Records: 1513 Country Club Sherwood, AR 72120 501-835-3400

Internet Website Address: www.deltadentalar.com

Statutory Statement Contact: Phyllis Rogers 501-992-1616

progers@deltadentalar.com 501-992-1617 (E-Mail Address) (Fax Number)

Policyowner Relations Contact: 1513 Country Club Sherwood, AR 72120 501-835-3400

OFFICERS

President: Eddie Allen Choate

Secretary: Ebb Weldon Johnson

Treasurer: Harold Wayne Perrin

Vice-Presidents

Ina Lynn Harbert Phyllis Lynn Rogers Herman Eldon Hurd Lynne Belue Lawrence Allen Dale Moore

DIRECTORS OR TRUSTEES

David Hiram Cole Ronald Paul Ownbey Harold Wayne Perrin Robert Joe Matlock Maxwell Usery Fleming Earl Alexander Gladden Robert Howard Gladden Ebb Weldon Johnson James Talbert Johnston Daniel Austin Lieblong Byron Scott Southern

State of Arkansas ss County of Pulaski

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

(Signature) Eddie Allen Choate (Printed Name) President (Signature) Ebb Weldon Johnson (Printed Name) Secretary (Signature) Harold Wayne Perrin (Printed Name) Treasurer

Subscribed and sworn to before me this 13th day of February 2004 a. Is this an original filing? YES [X] NO [] b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached

EXHIBIT 3 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

[illegible]

NONE Exhibit 4 - Health Care Receivables

EXHIBIT 5 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)
Aging Analysis of Unpaid Claims

[illegible]

NONE Exhibit 7 - Amounts Due to Parent, Subsidiaries and Affiliates

EXHIBIT 8 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total	3 Total Members Covered	4 Column 3 as a % of Total	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups						
2. Intermediaries						
3. All other providers						
4. Total capitation payments						
Other Payments:						
5. Fee-for-service	40,545,009	100.00	X X X	X X X		40,545,009
6. Contractual fee payments			X X X	X X X		
7. Bonus/withhold arrangements - fee-for-service			X X X	X X X		
8. Bonus/withhold arrangements - contractual fee payments			X X X	X X X		
9. Non-contingent salaries			X X X	X X X		
10. Aggregate cost arrangements			X X X	X X X		
11. All other payments			X X X	X X X		
12. Total other payments	40,545,009	100.00	X X X	X X X		40,545,009
13. Total (Line 4 plus Line 12)	40,545,009	100%	X X X	X X X		40,545,009

EXHIBIT 8 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

[illegible]

EXHIBIT 9 - FURNITURE, EQUIPMENT, AND SUPPLIES OWNED

	1	2	3	4	5	6
Description	Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
1. Administrative furniture and equipment	999,435		301,279		698,156	
2. Medical furniture, equipment and fixtures						
3. Pharmaceuticals and surgical supplies						
4. Durable medical equipment						
5. Other property and equipment						
6. Total	999,435		301,279		698,156	



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION 2. DIVISION (LOCATION)

NAIC Group Code: 0000 BUSINESS IN THE STATE OF ARKANSAS DURING THE YEAR 2003 NAIC Company Code 47155

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year	104,766					104,766							
2. First Quarter	109,203					109,203							
3. Second Quarter	109,749					109,749							
4. Third Quarter	110,055					110,055							
5. Current Year	113,338					113,338							
6. Current Year Member Months	1,331,574					1,331,574							
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected	48,776,599					48,776,599							
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned	48,844,265					48,844,265							
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services	40,545,009					40,545,009							
18. Amount Incurred for Provision of Health Care Services	41,318,009					41,318,009							

(a) For health business: number of persons insured under PPO managed care products and number of persons insured under indemnity only products 113,338



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION 2. DIVISION (LOCATION)

NAIC Group Code: 0000 BUSINESS IN THE STATE OF TOTAL DURING THE YEAR 2003 NAIC Company Code 47155

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year	104,766					104,766							
2. First Quarter	109,203					109,203							
3. Second Quarter	109,749					109,749							
4. Third Quarter	110,055					110,055							
5. Current Year	113,338					113,338							
6. Current Year Member Months	1,331,574					1,331,574							
Total Member Ambulatory Encounters for Year:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Collected	48,776,599					48,776,599							
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned	48,844,265					48,844,265							
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services	40,545,009					40,545,009							
18. Amount Incurred for Provision of Health Care Services	41,318,009					41,318,009							

(a) For health business: number of persons insured under PPO managed care products and number of persons insured under indemnity only products 113,338

SCHEDULE A - VERIFICATION BETWEEN YEARS

1.	Book/adjusted carrying value, December 31, prior year (prior year statement)	3,249,023
2.	Increase (decrease) by adjustment:	
2.1	Totals, Part 1, Column 10	(35,089)
2.2	Totals, Part 3, Column 7	
3.	Cost of acquired, (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9))	4,242,283
4.	Cost of additions and permanent improvements:	
4.1	Totals, Part 1, Column 13	
4.2	Totals, Part 3, Column 9	
5.	Total profit (loss) on sales, Part 3, Column 14	
6.	Increase (decrease) by foreign exchange adjustment:	
6.1	Totals, Part 1, Column 11	
6.2	Totals, Part 3, Column 8	
7.	Amounts received on sales, Part 3, Column 11 and Part 1, Column 12	
8.	Book/adjusted carrying value at the end of current period	7,456,217
9.	Total valuation allowance	
10.	Subtotal (Lines 8 plus 9)	7,456,217
11.	Total nonadmitted amounts	4,427,040
12.	Statement value, current period (Page 2, real estate lines, current period)	3,029,177

SCHEDULE B - VERIFICATION BETWEEN YEARS

1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year	
2.	Amount loaned during year:	
2.1	Actual cost at time of acquisitions	
2.2	Additional investment made after acquisitions	
3.	Accrual of discount and mortgage interest points and commitment fees	
4.	Increase (decrease) by adjustment	
5.	Total profit (loss) on sale	
6.	Amounts paid on account or in full during the year	NONE
7.	Amortization of premium	
8.	Increase (decrease) by foreign exchange adjustment	
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	
10.	Total valuation allowance	
11.	Subtotal (Lines 9 plus 10)	
12.	Total nonadmitted amounts	
13.	Statement value of mortgages owned at end of current period	

SCHEDULE BA - VERIFICATION BETWEEN YEARS

1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year	
2.	Cost of acquisitions during year:	
2.1	Actual cost at time of acquisitions	
2.2	Additional investment made after acquisitions	
3.	Accrual of discount	
4.	Increase (decrease) by adjustment	
5.	Total profit (loss) on sale	
6.	Amounts paid on account or in full during the year	NONE
7.	Amortization of premium	
8.	Increase (decrease) by foreign exchange adjustment	
9.	Book/adjusted carrying value of long-term invested assets at end of current period	
10.	Total valuation allowance	
11.	Subtotal (Lines 9 plus 10)	
12.	Total nonadmitted amounts	
13.	Statement value of long-term invested assets at end of current period	

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Class 1	4,144,070	6,070,033				10,214,103	66.859	8,864,157	60.313	10,214,103	
1.2 Class 2	136,428	4,827,242				4,963,670	32.491	5,737,701	39.040	4,963,670	
1.3 Class 3											
1.4 Class 4											
1.5 Class 5											
1.6 Class 6											
1.7 Totals	4,280,498	10,897,275				15,177,773	99.350	14,601,858	99.354	15,177,773	
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Class 1											
2.2 Class 2											
2.3 Class 3											
2.4 Class 4											
2.5 Class 5											
2.6 Class 6											
2.7 Totals											
3. States, Territories and Possessions etc., Guaranteed, Schedules D & DA (Group 3)											
3.1 Class 1											
3.2 Class 2											
3.3 Class 3											
3.4 Class 4											
3.5 Class 5											
3.6 Class 6											
3.7 Totals											
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Class 1											
4.2 Class 2											
4.3 Class 3											
4.4 Class 4											
4.5 Class 5											
4.6 Class 6											
4.7 Totals											
5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Class 1											
5.2 Class 2											
5.3 Class 3											
5.4 Class 4											
5.5 Class 5											
5.6 Class 6											
5.7 Totals											

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Class 1											
6.2 Class 2											
6.3 Class 3											
6.4 Class 4											
6.5 Class 5											
6.6 Class 6											
6.7 Totals											
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Class 1		99,350				99,350	0.650	95,000	0.646	99,350	
7.2 Class 2											
7.3 Class 3											
7.4 Class 4											
7.5 Class 5											
7.6 Class 6											
7.7 Totals		99,350				99,350	0.650	95,000	0.646	99,350	
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Class 1											
8.2 Class 2											
8.3 Class 3											
8.4 Class 4											
8.5 Class 5											
8.6 Class 6											
8.7 Totals											
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Class 1											
9.2 Class 2											
9.3 Class 3											
9.4 Class 4											
9.5 Class 5											
9.6 Class 6											
9.7 Totals											

SCHEDULE D - PART 1A - SECTION 1 (continued)
Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1	4,144,070	6,169,383				10,313,453	67.509	X X X	X X X	10,313,453	
10.2 Class 2	136,428	4,827,242				4,963,670	32.491	X X X	X X X	4,963,670	
10.3 Class 3								X X X	X X X		
10.4 Class 4								X X X	X X X		
10.5 Class 5						(c)		X X X	X X X		
10.6 Class 6						(c)		X X X	X X X		
10.7 Totals	4,280,498	10,996,625				(b) 15,277,123	100.000	X X X	X X X	15,277,123	
10.8 Line 10.7 as a % of Col. 6	28.019	71.981				100.000	X X X	X X X	X X X	100.000	
11. Total Bonds Prior Year											
11.1 Class 1	1,310,095	7,649,062				X X X	X X X	8,959,157	60.960	8,959,157	
11.2 Class 2		5,737,701				X X X	X X X	5,737,701	39.040	5,737,701	
11.3 Class 3						X X X	X X X				
11.4 Class 4						X X X	X X X				
11.5 Class 5						X X X	X X X	(c)			
11.6 Class 6						X X X	X X X	(c)			
11.7 Totals	1,310,095	13,386,763				X X X	X X X	(b) 14,696,858	100.000	14,696,858	
11.8 Line 11.7 as a % of Col. 8	8.914	91.086				X X X	X X X	100.000	X X X	100.000	
12. Total Publicly Traded Bonds											
12.1 Class 1	4,144,070	6,169,383				10,313,453	67.509	8,959,157	60.960	10,313,453	X X X
12.2 Class 2	136,428	4,827,242				4,963,670	32.491	5,737,701	39.040	4,963,670	X X X
12.3 Class 3											X X X
12.4 Class 4											X X X
12.5 Class 5											X X X
12.6 Class 6											X X X
12.7 Totals	4,280,498	10,996,625				15,277,123	100.000	14,696,858	100.000	15,277,123	X X X
12.8 Line 12.7 as a % of Col. 6	28.019	71.981				100.000	X X X	X X X	X X X	100.000	X X X
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	28.019	71.981				100.000	X X X	X X X	X X X	100.000	X X X
13. Total Privately Placed Bonds											
13.1 Class 1										X X X	
13.2 Class 2										X X X	
13.3 Class 3										X X X	
13.4 Class 4										X X X	
13.5 Class 5										X X X	
13.6 Class 6										X X X	
13.7 Totals										X X X	
13.8 Line 13.7 as a % of Col. 6							X X X	X X X	X X X	X X X	
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10							X X X	X X X	X X X	X X X	

(a) Includes \$ 0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ 0 current year, \$ 0 prior year of bonds with Z designations and \$ 0 current year, \$ 0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.

(c) Includes \$ 0 current year, \$ 0 prior year of bonds with 5* designations and \$ 0 current year, \$ 0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book Adjusted Carrying Values by Major Type and Subtype of Issues

[illegible]

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book Adjusted Carrying Values by Major Type and Subtype of Issues

[illegible]

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book Adjusted Carrying Values by Major Type and Subtype of Issues

	1	2	3	4	5	6	7	8	9	10	11
Distribution by Type	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations	4,144,070	6,169,383				10,313,453	67.509	X X X	X X X	10,313,453	
10.2 Single Class Mortgage-Backed/Asset-Backed Securities	136,428	4,827,242				4,963,670	32.491	X X X	X X X	4,963,670	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
10.3 Defined								X X X	X X X		
10.4 Other								X X X	X X X		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
10.5 Defined								X X X	X X X		
10.6 Other								X X X	X X X		
10.7 Totals	4,280,498	10,996,625				15,277,123	100.000	X X X	X X X	15,277,123	
10.8 Line 10.7 as a % of Col. 6	28.019	71.981				100.000	X X X	X X X	X X X	100.000	
11. Total Bonds Prior Year											
11.1 Issuer Obligations	1,310,095	7,649,062				X X X	X X X	8,959,157	60.960	8,959,157	
11.2 Single Class Mortgage-Backed/Asset-Backed Securities		5,737,701				X X X	X X X	5,737,701	39.040	5,737,701	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
11.3 Defined						X X X	X X X				
11.4 Other						X X X	X X X				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
11.5 Defined						X X X	X X X				
11.6 Other						X X X	X X X				
11.7 Totals	1,310,095	13,386,763				X X X	X X X	14,696,858	100.000	14,696,858	
11.8 Line 11.7 as a % of Col. 8	8.914	91.086				X X X	X X X	100.000	X X X	100.000	
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations	4,144,070	6,169,383				10,313,453	67.509	8,959,157	60.960	10,313,453	X X X
12.2 Single Class Mortgage-Backed/Asset-Backed Securities	136,428	4,827,242				4,963,670	32.491	5,737,701	39.040	4,963,670	X X X
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
12.3 Defined											X X X
12.4 Other											X X X
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
12.5 Defined											X X X
12.6 Other											X X X
12.7 Totals	4,280,498	10,996,625				15,277,123	100.000	14,696,858	100.000	15,277,123	X X X
12.8 Line 12.7 as a % of Col. 6	28.019	71.981				100.000	X X X	X X X	X X X	100.000	X X X
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	28.019	71.981				100.000	X X X	X X X	X X X	100.000	X X X
13. Total Privately Placed Bonds											
13.1 Issuer Obligations										X X X	
13.2 Single Class Mortgage-Backed/Asset-Backed Securities										X X X	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
13.3 Defined										X X X	
13.4 Other										X X X	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
13.5 Defined										X X X	
13.6 Other										X X X	
13.7 Totals										X X X	
13.8 Line 13.7 as a % of Col. 6							X X X	X X X	X X X	X X X	
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10							X X X	X X X	X X X	X X X	

NONE Schedule DA - Part 2

NONE Schedule DB - Part A and B Verification

NONE Schedule DB - Part C, D and E Verification

NONE Schedule DB - Part F - Section 1

NONE Schedule DB - Part F - Section 2

NONE Schedule S - Part 1 - Section 2

NONE Schedule S - Part 2

NONE Schedule S - Part 3 - Section 2

NONE Schedule S - Part 4

NONE Schedule S - Part 5

SCHEDULE S - PART 6

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1	2	3
	As Reported (net of ceded)	Restatement Adjustments	Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 10)	25,850,202		25,850,202
2. Accident and health premiums due and unpaid (Line 12)			
3. Amounts recoverable from reinsurers (Line 13.1)			
4. Net credit for ceded reinsurance	X X X		
5. All other admitted assets (Balance)	4,441,564		4,441,564
6. Total assets (Line 26)	30,291,766		30,291,766
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1)	2,900,000		2,900,000
8. Accrued medical incentive pool and bonus payments (Line 2)			
9. Premiums received in advance (Line 8)	624,112		624,112
10. Reinsurance in unauthorized companies (Line 18)			
11. All other liabilities (Balance)	6,419,888		6,419,888
12. Total liabilities (Line 22)	9,944,000		9,944,000
13. Total capital and surplus (Line 30)	20,347,766	X X X	20,347,766
14. Total liabilities, capital and surplus (Line 31)	30,291,766		30,291,766
NET CREDIT FOR CEDED REINSURANCE			
15. Claims unpaid			
16. Accrued medical incentive pool			
17. Premiums received in advance			
18. Reinsurance recoverable on paid losses			
19. Other ceded reinsurance recoverables			
20. Total ceded reinsurance recoverables			
21. Premiums receivable			
22. Unauthorized reinsurance			
23. Other ceded reinsurance payables/offsets			
24. Total ceded reinsurance payables/offsets			
25. Total net credit for ceded reinsurance			

NONE Schedule Y - Part 2

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING		RESPONSE
1.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
2.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
3.	Will an actuarial certification be filed by March 1?	YES
4.	Will the Risk-based Capital Report be filed with the NAIC by March 1?	YES
5.	Will the Risk-based Capital Report be filed with the state of domicile, if required, by March 1?	YES
6.	Will the SVO Compliance Certification be filed by March 1?	YES
7.	Will the Life Supplement be filed with the state of domicile and the NAIC by March 1?	NO
8.	Will the Property / Casualty Supplement be filed with the state of domicile and the NAIC by March 1?	NO
APRIL FILING		
9.	Will Management's Discussion and Analysis be filed by April 1?	YES
10.	Will the Long-Term Care Experience Reporting Forms be filed with the the state of domicile and the NAIC by April 1?	NO
11.	Will the Investment Risks Interrogatories be filed by April 1?	YES
JUNE FILING		
12.	Will an audited financial report be filed by June 1 with the state of domicile?	YES

Explanation:

Bar code:



4715520033600000



4715520033300000